



COMMONWEALTH of VIRGINIA

Virginia Employment Commission

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Virginia's January's Unemployment Rate Increased to 3.2 Percent; Labor Force Participation Rate Rose to 65.4% with Employment Up by 12,114

RICHMOND— Virginia's seasonally adjusted unemployment rate increased in January to 3.2 percent, which is 0.3 of a percentage point above the rate from a year ago. According to household survey data in January, the labor force increased by 17,127 to 4,487,399 as the number of unemployed residents increased by 5,013 to 144,754. The number of employed residents rose by 12,114 to 4,342,645. Virginia's seasonally adjusted unemployment rate continues to be below the national rate, which edged downward to 3.4 percent.

The Commonwealth's labor force participation rate rose to 65.4 percent in January. The labor force participation rate measures the proportion of the civilian population age 16 and older that is employed or actively looking for work.

Virginia's nonagricultural employment, from the monthly establishment survey, rose by 19,700 jobs in January to 4,131,600. December's preliminary estimate was revised up by 14,000, adding to that month's job gain. In January, private sector employment increased by 20,400 jobs to 3,411,900 while public sector employment declined by 700 to 719,700. A decrease within that sector occurred in state government (-1,900 jobs), while federal government grew by 900 jobs and local government rose by 300 jobs over the month.

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Employment rose in eight of eleven major industry sectors and declined in three. The largest job gain during January occurred in professional and business services, with an increase of 8,700 jobs to 816,500. The second largest increase occurred in leisure and hospitality (+6,900 jobs) to 408,300. Education and health services was third, with a gain of 2,400 jobs, rising to 570,200. Other increases included miscellaneous services (+1,100 jobs) to 195,500, finance (+600 jobs) to 214,800, construction (+400 jobs) to 215,100, manufacturing (+400 jobs) to 245,700, and trade, transportation, and utilities (+200 jobs) to 667,500. The largest job loss during January occurred in government (-700 jobs) to 719,700. The second largest decrease occurred in information, with a decrease of 200 jobs to 71,200. The third largest loss occurred in mining with a decrease of 100 jobs to 7,100.

Nonfarm Employment in Virginia* Seasonally Adjusted

Industry	Employment			December 2022 to January 2023		January 2022 to January 2023	
	January 2023	December 2022	January 2022	Change	% Change	Change	% Change
Total Nonfarm	4,131,600	4,111,900	4,012,700	19,700	0.5%	118,900	3.0%
Total Private Sector	3,411,900	3,391,500	3,302,000	20,400	0.6%	109,900	3.3%
<i>Goods-Producing</i>	467,900	467,200	454,200	700	0.1%	13,700	3.0%
Mining	7,100	7,200	6,900	-100	-1.4%	200	2.9%
Construction	215,100	214,700	207,100	400	0.2%	8,000	3.9%
Manufacturing	245,700	245,300	240,200	400	0.2%	5,500	2.3%
<i>Service-Providing</i>	3,663,700	3,644,700	3,558,500	19,000	0.5%	105,200	3.0%
Private Service-Providing	2,944,000	2,924,300	2,847,800	19,700	0.7%	96,200	3.4%
Trade, Transportation, and Utilities	667,500	667,300	660,300	200	0.0%	7,200	1.1%
Information	71,200	71,400	68,800	-200	-0.3%	2,400	3.5%
Finance	214,800	214,200	214,000	600	0.3%	800	0.4%
Professional and Business Services	816,500	807,800	792,700	8,700	1.1%	23,800	3.0%
Education and Health Services	570,200	567,800	544,300	2,400	0.4%	25,900	4.8%
Leisure and Hospitality Services	408,300	401,400	379,500	6,900	1.7%	28,800	7.6%
Miscellaneous Services	195,500	194,400	188,200	1,100	0.6%	7,300	3.9%
Government	719,700	720,400	710,700	-700	-0.1%	9,000	1.3%
Federal Government	185,300	184,400	185,800	900	0.5%	-500	-0.3%
State Government	151,900	153,800	151,000	-1,900	-1.2%	900	0.6%
Local Government	382,500	382,200	373,900	300	0.1%	8,600	2.3%

*Current month's estimates are preliminary.

From January 2022 to January 2023, the VEC estimates that establishments in Virginia gained 118,900 jobs, an increase of 3.0%. In January, the private sector recorded an over-the-year gain of 109,900 jobs, while employment in the public sector increased by 9,000 jobs.

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Compared to a year ago, on a seasonally adjusted basis, all the eleven major industry divisions experienced employment increases. The largest absolute over-the-year job gain occurred in leisure and hospitality, up 28,800 jobs (+7.6%). The second largest over-the-year job gain occurred in education and health services, up 25,900 jobs (+4.8%). The third largest over-the-year job gain occurred in professional and business services, up 23,800 jobs (+3.0%). Other job gains occurred in government (+9,000 jobs); construction (+8,000 jobs); miscellaneous services (+7,300 jobs); trade, transportation, and utilities (+7,200 jobs); manufacturing (+5,500 jobs); information (+2,400 jobs); finance (+800 jobs); and mining and logging (+200 jobs).

Total Nonfarm Employment in Virginia* Seasonally Adjusted

Area	Employment			December 2022 to January 2023		January 2022 to January 2023	
	January 2023	December 2022	January 2022	Change	% Change	Change	% Change
Virginia	4,131,600	4,111,900	4,012,700	19,700	0.5%	118,900	3.0%
Blacksburg-Christiansburg-Radford MSA	81,500	81,700	79,100	-200	-0.2%	2,400	3.0%
Charlottesville MSA	122,300	121,900	118,100	400	0.3%	4,200	3.6%
Harrisonburg MSA	70,900	70,700	67,900	200	0.3%	3,000	4.4%
Lynchburg MSA	105,500	104,800	102,400	700	0.7%	3,100	3.0%
Northern Virginia MSA	1,556,900	1,549,900	1,508,300	7,000	0.5%	48,600	3.2%
Richmond MSA	711,800	702,600	683,200	9,200	1.3%	28,600	4.2%
Roanoke MSA	165,100	164,000	159,700	1,100	0.7%	5,400	3.4%
Staunton-Waynesboro MSA	53,300	53,200	50,900	100	0.2%	2,400	4.7%
Virginia Beach-Norfolk-Newport News, Virginia/North Carolina MSA	796,700	794,200	780,200	2,500	0.3%	16,500	2.1%
Winchester, Virginia/West Virginia MSA	70,700	70,700	68,200	0	0.0%	2,500	3.7%

*Current month's estimates are preliminary.

Seasonally adjusted total nonfarm employment data is produced for ten metropolitan areas. In January, eight metropolitan areas experienced over-the-month job gains, one was unchanged, and one experienced a decline. The largest absolute job increase occurred in Richmond (+9,200 jobs). The next largest absolute job gain occurred in Northern Virginia (+7,000 jobs). The third largest increase occurred in Virginia Beach-Norfolk-Newport News (+2,500 jobs). Other increases include Roanoke (+1,100 jobs), Lynchburg (+700 jobs), Charlottesville (+400 jobs), Harrisonburg (+200 jobs), and Staunton-Waynesboro (+100 jobs). Winchester was unchanged over the month. The only decrease occurred in Blacksburg-Christiansburg-Radford (-200 jobs).

Over-the-year, seasonally adjusted total nonfarm employment increased in all ten metropolitan areas. The Northern Virginia metropolitan area experienced the largest absolute job gain, up 48,600 jobs. Richmond was next, with a gain of 28,600 jobs. Virginia Beach-Norfolk-Newport News was third, with a gain of 16,500 jobs. Other over-the-year job gains occurred in Roanoke (+5,400 jobs), Charlottesville

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(+4,200 jobs), Lynchburg (+3,100 jobs), Harrisonburg (+3,000 jobs), Winchester (+2,500 jobs), Blacksburg-Christiansburg-Radford (+2,400 jobs), and Staunton-Waynesboro (+2,400 jobs).

NOT SEASONALLY ADJUSTED DATA

Virginia's unadjusted unemployment rate increased 0.6 of a percentage point in January to 3.2 percent. This is 0.3 of a percentage point higher than the rate from a year ago. Compared to a year ago, the number of unemployed increased by 18,827, household employment increased by 114,630, and the labor force increased by 133,457. Virginia's not seasonally adjusted unemployment rate continues to be below the national unadjusted rate, which increased to 3.9 percent.

Compared to last month, the January unadjusted workweek for Virginia's 157,400 manufacturing production workers decreased by 0.1 of an hour to 41.8 hours. Average hourly earnings of private-sector production workers rose by \$0.44 to \$23.72 in January and average weekly earnings increased by \$16.07 to \$991.50.

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Technical note: Estimates of unemployment and industry employment levels are obtained from two separate monthly surveys. Resident employment and unemployment data are mainly derived from the Virginia portion of the national Current Population Survey (CPS), a household survey conducted each month by the U.S. Census Bureau under contract with BLS, which provides input to the Local Area Unemployment Statistics (LAUS) program (often referred to as the "household" survey). Industry employment data is mainly derived from the Current Employment Statistics (CES) survey, a monthly survey of approximately 18,000 Virginia businesses conducted by BLS, which provides estimates of employment, hours, and earnings data broken down by industry for the nation as a whole, all states and most major metropolitan areas (often referred to as the "establishment" survey). Both industry and household estimates are revised each month based on additional information from updated survey reports compiled by the BLS.

Revision Changes note: Establishment survey data have been revised as a result of the annual benchmarking process, the NAICS 2022 conversion, and the updating of seasonal adjustment factors. Also, household survey data for January 2023 reflect updated population estimates. For information on this, national figures, and how COVID-19 affected collection of the BLS establishment and household surveys in April 2020, refer to the BLS [January 2023 Employment Situation](#) press release for details.

The statistical reference week for the household survey this month was the week of January 8 - 14, 2023.

The Virginia Employment Commission plans to release the November local area unemployment rates on Friday, March 17, 2023. The data will be available on our website www.VirginiaWorks.com . The February 2023 statewide unemployment rate and employment data for both the state and metropolitan areas are scheduled to be released on Friday, March 24, 2023.
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